

**BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana**

ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date FEB 19 2014

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Annual Financial Report
As of and for the Year Ended June 30, 2013

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BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

June 30, 2013

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J. Aaron Cooper , CPA, LLC

P.O. Box 967 • 768 Parish Line Road • DeRidder, Louisiana 70634

(337) 794-2470 • aaron@acoopercpa.com

Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Members of the
Beauregard Parish School Board
DeRidder, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beauregard Parish School Board as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the foregoing table of contents

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of the accounting principles used and reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a reasonable basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Beauregard Parish School Board as of June 30, 2013, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

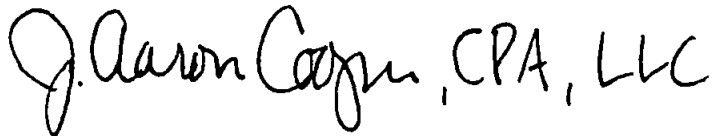
Required Supplementary Information Accounting principles generally accepted in the United States of America require that budget and other post-retirement employee benefits information (Exhibits 1-5) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The Beauregard Parish School Board has not presented Management's Discussion and Analysis that the Governmental Accounting Standards Board also determined is necessary to supplement, although not required to be part of, the basic financial statements.

Other Information My audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The accompanying combining and individual nonmajor fund schedules, and the schedule of compensation paid to board members are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the Beauregard Parish School Board. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The supplemental schedules are the responsibility of management and were derived and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, such information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued a report dated December 30, 2013, on my consideration of the Beauregard Parish School Board's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

Handwritten signature of J. Aaron Capen, CPA, LLC in black ink.

DeRidder, Louisiana
December 30, 2013

GOVERNMENT-WIDE FINANCIAL STATEMENTS

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement A

Statement of Net Position
June 30, 2013

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 26,108,604
Investments	1,000,000
Receivables	81,658
Inventory	231,890
Prepaid expenses	147,138
Restricted assets	
Cash	13,397,022
Investments	300,000
Receivables	1,508,949
Capital assets (net of accumulated depreciation)	
Land	305,618
Buildings	41,445,896
Improvements other than buildings	2,666,793
Furniture and equipment	2,457,017
Construction in progress	1,052,094
	<hr/>
Total assets	90,702,679
LIABILITIES	
Accounts, salaries, and other payables	7,850,002
Accounts payable from restricted assets	982,957
Estimated workers' compensation claims	493,688
Unearned revenue	31,643
Sales tax claim payable	2,149,103
Interest payable	559,393
Long-term liabilities	
Due within one year	5,989,405
Due in more than one year	68,594,180
Total liabilities	<hr/> 86,650,371
NET POSITION	
Invested in capital assets, net of related debt	7,192,390
Restricted for	
Debt service	4,793,272
Future salaries from sales tax proceeds	837,120
Capital improvements	5,752,972
School food service	298,304
Maintenance, books, instructional items, etc	1,548,010
Federal programs	16,007
Unrestricted	<hr/> (16,385,767)
TOTAL NET POSITION	<hr/> <hr/> \$ 4,052,308

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement B

Statement of Activities
For the Year Ended June 30, 2013

		Program Revenues		Governmental Activities - Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	
FUNCTIONS/PROGRAMS				
Governmental activities				
Instruction				
Regular programs	\$ 26,178,060	\$ -	\$ 439,367	\$ (25,738,693)
Special education programs	7,087,457	-	596,725	(6,490,732)
Vocational programs	2,010,718	-	55,240	(1,955,478)
Other instructional programs	1,660,960	-	156,822	(1,504,138)
Special programs	1,766,999	-	1,222,291	(544,708)
Adult and continuing education programs	26,206	-	-	(26,206)
Support services				
Student services	3,693,357	-	324,949	(3,368,408)
Instructional staff support	3,042,027	-	492,846	(2,549,181)
General administration	1,680,701	-	-	(1,680,701)
School administration	4,195,714	-	-	(4,195,714)
Business services	624,666	-	211,028	(413,638)
Plant services	6,391,207	-	-	(6,391,207)
Student transportation services	3,903,063	-	347	(3,902,716)
Central services	1,538,017	-	45,827	(1,492,190)
Food services	3,768,773	443,108	1,791,493	(1,534,172)
Community service programs	15,905	-	-	(15,905)
Interest on long-term debt	1,942,049	-	-	(1,942,049)
Total governmental activities	\$ 69,525,879	\$ 443,108	\$ 5,336,935	(63,745,836)
Taxes				
Property taxes, levied for general purposes				1,301,307
Property taxes, levied for maintenance				6,495,265
Property taxes, levied for debt services				3,839,004
Sales and use taxes, levied for salaries				10,864,481
State revenue sharing, unrestricted				148,409
Grants and contributions not restricted to specific purposes				
Minimum Foundation Program				36,394,535
Other state funding				825,452
Interest and investment earnings				57,899
Special items				
Miscellaneous				834,553
Sales tax claim				(2,149,103)
Gain on disposal of assets				418,300
Total general revenues and special items				59,030,102
Excess of expenses over revenues				(4,715,734)
Beginning net position				8,768,042
Ending net position				\$ 4,052,308

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Balance Sheet - Governmental Funds
June 30, 2013

	General Fund	Sales Tax Fund	Operations and Maintenance Fund	School Food Service
Assets				
Assets				
Equity in pooled cash	\$ 25,525,883	\$ -	\$ 1,844,921	\$ 331,970
Investments	1,000,000	-	-	-
Receivables	68,790	943,006	8,394	-
Interfund receivable	595,575	-	-	-
Inventory	148,979	-	-	82,911
Prepaid items	94,594	-	52,544	-
Total assets	\$ 27,433,821	\$ 943,006	\$ 1,905,859	\$ 414,881
Liabilities and fund balances				
Liabilities				
Accounts, salaries, and other payables	\$ 7,455,053	\$ 19,535	\$ 305,305	\$ 2,023
Interfund payable	-	86,351	-	-
Deferred revenues	-	-	-	31,643
Total liabilities	7,455,053	105,886	305,305	33,666
Fund balances				
Nonspendable items	243,573	-	52,544	82,911
Restricted for				
Debt service	-	-	-	-
Capital improvements	-	-	-	-
Federal programs	-	-	-	-
Future salaries from sales tax proceeds	-	837,120	-	-
School food service	-	-	-	298,304
Maintenance, books, instructional items, etc	-	-	1,548,010	-
Committed for				
Contingencies	2,809,472	-	-	-
Unassigned	16,925,723	-	-	-
Total fund balances	19,978,768	837,120	1,600,554	381,215
Total liabilities and fund balances	\$ 27,433,821	\$ 943,006	\$ 1,905,859	\$ 414,881

The accompanying notes are an integral part of this statement.

Statement C

Capital Projects Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
\$ 6,735,929	\$ 4,788,798	\$ 27,374	\$ 39,254,875
-	-	-	1,000,000
-	4,474	565,943	1,590,607
-	-	-	595,575
-	-	-	231,890
-	-	-	147,138
<u>\$ 6,735,929</u>	<u>\$ 4,793,272</u>	<u>\$ 593,317</u>	<u>\$ 42,820,085</u>
\$ 982,957	\$ -	\$ 68,086	\$ 8,832,959
-	-	509,224	595,575
-	-	-	31,643
<u>982,957</u>	<u>-</u>	<u>577,310</u>	<u>9,460,177</u>
-	-	-	379,028
-	4,793,272	-	4,793,272
5,752,972	-	-	5,752,972
-	-	16,007	16,007
-	-	-	837,120
-	-	-	298,304
-	-	-	1,548,010
-	-	-	2,809,472
-	-	-	16,925,723
<u>5,752,972</u>	<u>4,793,272</u>	<u>16,007</u>	<u>33,359,908</u>
<u>\$ 6,735,929</u>	<u>\$ 4,793,272</u>	<u>\$ 593,317</u>	<u>\$ 42,820,085</u>

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2013

Total fund balances at year end - governmental funds		\$	33,359,908
Amounts reported for governmental activities in the Statement of Net Position are different because			
Capital assets are not financial resources and, therefore, not reported in the funds			
Cost of capital assets at year end	\$	95,051,568	
Less - accumulated depreciation at year end		<u>(47,124,149)</u>	47,927,419
Sales tax claim was expensed in the Statement of Activities, however, because it was not paid within 60 days of year end, it was not recorded in the governmental funds			
			(2,149,103)
Long-term liabilities are not due and payable in the current period and are not reported in the funds			
Long-term liabilities at year end			
Compensated absences		(1,033,711)	
Bonds payable		(46,488,000)	
Other post-employment benefits liability		(27,061,875)	
Accrued interest payable		<u>(559,393)</u>	(75,142,979)
Net position of proprietary funds - governmental activities			<u>57,063</u>
Net position at year end - governmental activities		\$	<u><u>4,052,308</u></u>

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

June 30, 2013

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BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Funds
For the Year Ended June 30, 2013

	General Fund	Sales Tax Fund	Operations and Maintenance Fund	School Food Service
Revenues				
Local sources				
Ad valorem taxes	\$ 1,301,307	\$ -	\$ 6,495,265	\$ -
Sales and use taxes	-	10,864,481	-	-
Interest earnings	28,924	-	-	285
Food services	-	-	-	443,108
Other	168,667	-	2,995	234
State sources				
Equalization	36,353,944	-	-	40,591
Other	802,182	-	171,679	-
Federal sources	-	-	-	1,791,493
Total revenues	38,655,024	10,864,481	6,669,939	2,275,711
Expenditures				
Instruction				
Regular programs	17,020,816	4,872,907	165,385	-
Special education programs	4,166,939	1,333,250	-	-
Vocational educational programs	1,434,867	370,614	-	-
Other instructional programs	1,356,138	155,440	-	-
Special programs	316,958	102,776	-	-
Adult and continuing education programs	9,786	14,249	-	-
Support services				
Student services	2,390,354	574,332	-	-
Instructional staff support	1,776,751	483,973	59,007	-
General administration	1,238,488	312,089	-	-
School administration	2,991,177	873,481	-	-
Business administration	460,535	121,620	-	-
Plant services	190,540	619,309	5,156,180	-
Student transportation services	3,421,073	703,053	-	-
Central services	820,179	187,212	418,293	-
Food services	-	538,165	-	2,832,815
Community service programs	12,530	-	-	-
Facilities acquisition and construction	-	-	200,458	-
Debt service	-	-	-	-
Total expenditures	37,607,131	11,262,470	5,999,323	2,832,815
Excess (deficiency) of revenues over (under) expenditures	1,047,893	(397,989)	670,616	(557,104)
Other financing sources (uses)				
Proceeds from sale of assets	352,582	-	65,718	-
Issuance of debt	-	-	-	-
Transfers in	332,182	-	-	556,096
Transfers out	(684,647)	-	-	-
Total other financing sources (uses)	117	-	65,718	556,096
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	1,048,010	(397,989)	736,334	(1,008)
Beginning fund balances	18,930,758	1,235,109	864,220	382,223
Ending fund balances	\$ 19,978,768	\$ 837,120	\$ 1,600,554	\$ 381,215

The accompanying notes are an integral part of this statement.

Statement E

<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 3,839,004	\$ -	\$ 11,635,576
-	-	-	10,864,481
24,376	268	-	53,853
-	-	-	443,108
-	-	160,126	332,022
-	-	-	36,394,535
-	-	-	973,861
-	-	3,545,442	5,336,935
<u>24,376</u>	<u>3,839,272</u>	<u>3,705,568</u>	<u>66,034,371</u>
503,834	-	439,367	23,002,309
-	-	653,011	6,153,200
-	-	55,240	1,860,721
-	-	156,822	1,668,400
-	-	1,222,291	1,642,025
-	-	-	24,035
-	-	423,227	3,387,913
-	-	500,590	2,820,321
600	-	-	1,551,177
-	-	-	3,864,658
-	-	-	582,155
304,717	-	-	6,270,746
-	-	347	4,124,473
-	-	45,827	1,471,511
-	-	-	3,370,980
-	-	3,375	15,905
3,157,816	-	-	3,358,274
3,315,000	4,106,035	-	7,421,035
<u>7,281,967</u>	<u>4,106,035</u>	<u>3,500,097</u>	<u>72,589,838</u>
(7,257,591)	(266,763)	205,471	(6,555,467)
-	-	-	418,300
3,315,000	-	-	3,315,000
-	-	128,551	1,016,829
-	-	(332,182)	(1,016,829)
<u>3,315,000</u>	<u>-</u>	<u>(203,631)</u>	<u>3,733,300</u>
(3,942,591)	(266,763)	1,840	(2,822,167)
<u>9,695,563</u>	<u>5,060,035</u>	<u>14,167</u>	<u>36,182,075</u>
<u>\$ 5,752,972</u>	<u>\$ 4,793,272</u>	<u>\$ 16,007</u>	<u>\$ 33,359,908</u>

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2013

Total net change in fund balances - governmental funds \$ (2,822,167)

Amounts reported for governmental activities in the Statement
of Activities are different because

Capital outlays are reported in governmental funds as expenditures. However,
in the Statement of Activities, the cost of those assets is allocated over
their estimated useful lives as depreciation expense. This is the amount by
which depreciation exceeds capital outlays in the period.

Depreciation expense	\$ (1,752,071)	
Capital outlays	<u>4,012,642</u>	2,260,571

Net book value of assets retired during the year

-

Repayment of bond principal is an expenditure in the governmental funds, but the
repayment reduces long-term liabilities in the Statement of Net Position.
Proceeds of bond issues is an other source in the governmental funds but
increases long-term liabilities in the Statement of Net Position.

Principal payments		5,404,000
Bond proceeds		(3,315,000)

In the Statement of Activities, certain operating expenses - compensated
absences and other post-employment benefits - are measured by the amounts
earned during the year. In the governmental funds, however, expenditures for
these items are measured by the amount of financial resources used
(essentially, the amounts actually paid). This is the amount by which the amounts
earned exceeds the amount actually paid.

Change in compensated absences payable	(131,817)
Change in other post employment benefits	(3,983,073)

Sales tax claim was expensed in the Statement of Activities, however, because it was
not paid within 60 days of year end, it was not recorded in the governmental funds.

(2,149,103)

Interest on long-term debt in the Statement of Activities is recorded as it is incurred,
however, in the governmental funds interest is recognized as an expenditure
in the funds when it is due, and thus requires the use of current financial resources.

Change in accrued interest payable	74,986
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Change in net position of proprietary funds	<u>(54,131)</u>
---------------------------------------------	-----------------

Change in net position of governmental activities	<u>\$ (4,715,734)</u>
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The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement G

Statement of Net Position - Proprietary Funds
June 30, 2013

	Internal Service Fund - Workers' Compensation Self-Insurance Fund*	Total - Governmental Activities
ASSETS		
Current assets		
Equity in pooled cash	\$ 250,751	\$ 250,751
Restricted investments	300,000	300,000
Total assets	<u>\$ 550,751</u>	<u>\$ 550,751</u>
LIABILITIES		
Estimated workers' compensation claims	\$ 493,688	\$ 493,688
Total liabilities	493,688	493,688
NET POSITION		
Unrestricted	<u>57,063</u>	<u>57,063</u>
Total net position	<u>57,063</u>	<u>57,063</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 550,751</u>	<u>\$ 550,751</u>

* Nonmajor proprietary fund

The accompanying notes are an integral part of this statement.

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds
For the Year Ended June 30, 2013

	Internal Service Fund - Workers' Compensation Self-Insurance Fund*	Total - Governmental Activities
Operating revenues:		
Charges for services	\$ 502,531	\$ 502,531
Total operating revenues	502,531	502,531
Operating expenses		
Workers' compensation claims	487,464	487,464
Contract services	100	100
Stop-loss premiums	73,144	73,144
Total operating expenses	560,708	560,708
Operating income	(58,177)	(58,177)
Non-operating revenues (expenses)		
Interest income	4,046	4,046
Total non-operating revenues	4,046	4,046
Change in net assets	(54,131)	(54,131)
Net position - beginning of year	111,194	111,194
Net position - end of year	\$ 57,063	\$ 57,063

* Nonmajor proprietary fund

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Statement I

Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2013

	Internal Service Fund - Workers' Compensation Self-Insurance Fund
Cash flows from operating activities:	
Cash received from other funds for services	\$ 502,531
Payments to vendors	(35,773)
Payments made on workers' compensation claims	(446,989)
	<hr/>
Net cash provided by operating activities	19,769
Cash flows from investing activities:	
Interest income	4,046
	<hr/>
Net cash provided by investing activities	4,046
	<hr/>
Net change in cash and cash equivalents	23,815
Cash and cash equivalents at beginning of year	226,936
	<hr/>
Cash and cash equivalents at end of year	\$ 250,751
	<hr/>
Reconciliation of operating income to net cash provided by operations	
Operating income	\$ (58,177)
Adjustments to reconcile operating income to net cash provided by operating activities	
Changes in operating assets and liabilities	
Prepaid items	43,071
Accounts payable	(5,600)
Estimated workers' compensation claims	40,475
	<hr/>
Net cash provided by operating activities	\$ 19,769
	<hr/>

* Nonmajor proprietary fund

The accompanying notes are an integral part of this statement.

Statement of Assets and Liabilities - Agency Fund
June 30, 2013

	<u>School Activity Fund</u>
Assets	
Cash and cash equivalents	<u>\$ 892,017</u>
 Total assets	 <u><u>\$ 892,017</u></u>
Liabilities	
Deposits due others	<u>\$ 892,017</u>
 Total liabilities	 <u><u>\$ 892,017</u></u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

**BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana**

**Notes to the Financial Statements
As of and for the Year Ended June 30, 2013**

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BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

The Beauregard Parish School Board was created by Louisiana Revised Statute (R S) 17 51 to provide public education for the children within Beauregard Parish. The School Board is authorized by R S 17 81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of 10 members who are elected from 10 districts for terms of four years.

The School Board operates 12 schools within the parish with a total enrollment of approximately 6,000 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Beauregard Parish School Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions of this Statement, the School Board is considered a *primary government*, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no *component units*, defined by GASB No. 14 as other legally separate organizations for which the elected school board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

C. FUND ACCOUNTING

The School Board uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts.

Funds of the School Board are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

Governmental Funds

Governmental funds account for all or most of the School Board's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include the following:

- 1 The General Fund is the general operating fund of the School Board and accounts for all financial resources, except those required to be accounted for in other funds.
- 2 Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- 3 Debt service funds account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.
- 4 Capital projects funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Proprietary Funds

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include the following:

- 1 The internal service fund accounts for the financing of goods or services provided by one department to other departments or governments on a cost-reimbursement basis.
- 2 The enterprise fund accounts for operations that are financed and operated in a manner similar to private business enterprises and for which the intent of the School Board is that the costs (expenses, including depreciation) of providing the services to the general public on a continuing basis be financed or recovered primarily through user charges.

The School Board applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989 (unless those pronouncements conflict with or contradict GASB pronouncements) for its proprietary activities.

Fiduciary Funds

Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the School Board. The School Activity Agency Fund accounts for assets held by the School Board as an agent for the individual schools and school organizations. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS)

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the school board, except for the fiduciary fund. Fiduciary funds are reported only in the Statement of Fiduciary Net position at the fund financial statement level.

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Internal Activities - The Workers' Compensation Self-Insurance Internal Service Fund provides services primarily to the governmental funds. Accordingly, this fund's activities were rolled up into the governmental activities. Pursuant to GASB 34, as much as possible, the internal activities have been eliminated in order to avoid the "grossing-up" effect of a straight inclusion. However, the effect of interfund services provided and used between functions are not eliminated in the statement of activities.

Enterprise Activities - The East Beauregard Food Processing Enterprise Fund is accounted for similar to a private enterprise as a proprietary fund. However, due to its purpose as a vocational education program and that it is only partially self-funding, the School Board considers this program a governmental activity.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) derive directly from parties outside the school board's taxpayers or citizenry, as a whole, program revenues reduce the cost of the function to be financed from the school board's general revenues.

Allocation of Indirect Expenses - The school board reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

Fund financial statements report detailed information about the School Board. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. The School Board reports the General Fund, the Sales Tax Fund, the Operating and Maintenance Fund, the School Food Service Fund, the Debt Service Fund, and the Capital Projects Fund as its major governmental funds. The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Sales Tax Fund is used to account for sales tax collections that are to be used for salaries and benefits. The Operating and Maintenance Fund is used to account for ad valorem tax millages that are dedicated to certain operating and maintenance costs. The School Food Service Fund includes the school meal preparation operations. The Debt Service Fund accounts for the collection of an ad valorem tax millage dedicated to servicing the debt of the District's outstanding general obligation bonds. The Capital Projects Fund accounts for bonds issued under authority of a voter referendum to be used for capital projects and instructional equipment.

Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The school board generally considers all revenues available if they are collected within 60 days after the fiscal year ended except for revenues related to federal grant programs where costs are reimbursed 100%. For these programs, revenues are recognized when the expenditures are made. Management feels that the financial statements would be misleading if these revenues were not recorded. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Federal and state entitlements (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid when available and measurable. Federal and state grants are recorded when the reimbursable expenditures have been incurred. Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15th of each year, and become delinquent on December 31st. The taxes are generally collected in December, January, and February of the fiscal year. Sales and use tax revenues are recorded in the month that the original taxable transaction occurred. Substantially all other revenues are recorded when received.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

Expenditures

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not effect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. Governmental fund expenditures include the following:

Salaries are recorded as earned. All nine-month employees are to be paid pro rata over twelve months. Thus, salaries paid to these employees in July and August are earned (and are accrued) as of fiscal year end. Principal and interest on general long-term obligations are recognized when due. Inventory is expensed when consumed. Compensated absences are recognized as expenditures when leave is actually taken or upon termination of employment due to retirement or death. The cost of compensated absences not requiring current resources is recorded in the general long-term obligations account group. All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Other Financing Sources (Uses)

Increases (decreases) in net current assets arising from sources other than revenues (expenditures) are accounted for as other financing sources (uses). Such transactions include transfers between funds that are not expected to be repaid, capital lease transactions, sale of fixed assets, and long-term debt proceeds. These other financing sources (uses) are recognized at the time the underlying events occur.

Unearned Revenues

The School Board reports unearned revenues on its combined balance sheet. Unearned revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received before the incurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and the revenue is recognized.

Proprietary Funds - Like the government-wide statements, the proprietary funds are accounted for on a flow of economic resources measurement focus and a determination of net income. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the school board finances and meets the cash flow needs of this internal service fund. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred. Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses are items which result directly from the operations of the fund. Items such as interest income and operating transfers do not depend on fund activities and, therefore, are considered non-operating.

Agency Funds – Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for on the accrual basis of accounting.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

E. BUDGETS

The School Board adopts budgets for all non-fiduciary funds under its control. The School Board uses the following budget practices:

1. The proposed budget for the fiscal year ended June 30, 2013, was published August 22, 2012. The budget was available for viewing from that date until the date of the public hearing September 13, 2012. The budget was formally adopted on September 13, 2012, by the School Board. The budget must be adopted no later than September 15th and submitted to the Louisiana Department of Education no later than September 30th each year for approval.
2. Appropriations (unexpended budget balances) lapse at year-end.
3. Budgets are prepared on a GAAP basis for all funds.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental, or project level. However, when projected revenues within a fund fail to meet budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting. The superintendent of the School Board has the authority to transfer amounts between accounts within any fund. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. ENCUMBRANCES

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrances are recorded at the time the purchasing system generates a purchase order and are liquidated at the time the corresponding expenditure is recognized. Outstanding encumbrances lapse at year-end. To the extent the School Board intends to honor the purchase orders and commitments, they are disclosed in the financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

G. CASH AND INTEREST-EARNING DEPOSITS

Cash and cash equivalents include amounts in demand deposits, interest-bearing demand deposits, and short-term investments with original maturities of three months or less, including deposits held by the Louisiana Asset Management Pool (LAMP). LAMP is a statewide investment pool in which the School Board participates and operates in accordance with appropriate state laws and regulations. The fair value of the School Board's position in the pool is the same as the value of the pool shares. LAMP is a component unit of the State of Louisiana and its operations are regulated by state law and are overseen by a board consisting of the state treasurer and members elected from the pool participants. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

H. INVESTMENTS

Investments are limited by R S 33 2955 and the School Board's investment policy. These laws and policies are designed to minimize credit risk. The School Board's investments include certificates of deposit with maturities greater than 90 days. These certificates of deposit are recorded at cost, which approximates fair value.

I. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

J. INVENTORIES AND PREPAID ITEMS

Inventory of the General Fund consists of expendable supplies and are recorded on the consumption method. These items are recorded at the lower of cost (first-in, first-out) or market value.

Inventory of the School Lunch Special Revenue Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. The commodities are recorded as revenues when received (issued), however, all inventory items are recorded as expenditures when consumed. All purchased inventory items are valued at the lower of cost (first-in, first-out) or market, and commodities are assigned values based on information provided by the United States Department of Agriculture.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

K. CAPITAL ASSETS

Capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The school board maintains a threshold level of \$5,000 or more for capitalizing capital assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the school board, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	40 years
Furniture and fixtures	10 years
Vehicles	5 years
Equipment	3-10 years

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

L. COMPENSATED ABSENCES

The School Board has the following policies relating to compensated absences

Annual Leave

Annual leave is earned for all twelve-month active employees at the following rates

<u>Years of service</u>	<u>Rate</u>
0-3	1 day per month (12 days annually)
3-10	1 ¼ days per month (15 days annually)
Over 10	1 ½ days per month (18 days annually)

Accumulated annual leave is capped at 48 days

Sick Leave

Sick leave is earned for active employees at the following rates

Nine-month employees	10 days
Ten-month employees	11 days
Eleven- and twelve-month employees	
0-10 years	12 days
Over 10 years	18 days

If a nine- or ten-month employee works additional time during the summer, the employee will receive one day additional sick leave (or portion thereof) for each additional month worked (or portion thereof). Sick leave can be accumulated without limitation. Upon retirement, unused sick leave up to 25 days is paid to employees at the employees' current rate of pay and all unused sick leave is used in the retirement computation as earned service. However, the School Board may pay, on a uniform basis, such unused sick leave beyond twenty-five days, not to exceed 45 days, at its discretion.

Emergency Leave

Emergency leave shall be granted for the following reasons

- 1 A maximum of three days continuous leave for illness in the immediate family unless there are extenuating circumstances
- 2 A maximum of three days continuous leave for death in the immediate family unless there are extenuating circumstances
- 3 A maximum of two days for the purpose of marriage
- 4 Circumstances beyond the control of the employee (i.e., fire, flood, tornado, etc.)

The superintendent or his designee may grant emergency leave for reasons other than above. Two days of sick or emergency leave may be allowed for personal reasons.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

Excess leave

Excess leave may be granted by the superintendent beyond the sick and emergency leave up to a maximum of five days. Any request beyond five days requires School Board approval.

Sabbatical Leave

Sabbatical leave may be granted for rest and recuperation and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. According to GASB Statement No. 16, sabbatical leave which involves professional and cultural development provides a continuing benefit to the employer and should not be accrued.

The cost of current leave privileges is recognized as an expenditure in the governmental funds (typically the General Fund) when the leave is actually taken or, in the case of amounts due at termination, when payment is due. The expenditure is recorded in the fund from which the employee on leave is generally paid. The cost of leave privileges not requiring current resources is recorded in the government-wide financial statements. For the proprietary funds, the liability for compensated absences is accrued when the leave is earned by the employee.

M. EQUITY CLASSIFICATIONS

For government-wide statement of net position, equity is classified as net position and displayed in three components:

- Invested in capital assets, net of related debt. This component consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position. Restricted net position consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position. Unrestricted net position consists of all other net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The School Board uses restricted resources first when expenses are incurred when both restricted and unrestricted net position are available.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

In the fund statements, governmental fund equity is classified as fund balance. In accordance with Governmental Accounting Standards Board ("GASB") Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, the School Board classifies governmental fund balances as follows:

- Non-spendable Relates to fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints
- Restricted Relates to fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or grantors, or amounts constrained due to constitutional provisions or enabling legislation
- Committed Relates to fund balance amounts that are constrained for specific purposes that are internal imposed by the district through formal action of the School Board and does not lapse at year-end
- Assigned Relates to fund balance amounts that are intended to be used for a specific purpose that are considered to be neither restricted nor committed. Fund balance can be assigned by the School Board
- Unassigned Relates to fund balance amounts within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds

The School Board uses restricted resources first when expenditures are incurred when both restricted and unrestricted fund balances are available. Proprietary fund equity is classified the same as in the government-wide statements.

N. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

O. SALES AND USE TAXES

A one-cent sales and use tax was approved by voters at a special election held July 23, 1966. The proceeds of the tax are to be used exclusively to supplement other revenues available to the School Board for the payment of salaries of teachers in the public elementary and secondary schools of the parish and for the expenses of operating said schools, such operating expenses to include payment of salaries of other personnel employed by the School Board in addition to teachers, but to exclude expenditures for capital improvements and purchases of automobiles.

Another one-cent sales and use tax was approved by voters at a special election held May 5, 1990. The proceeds of the tax are to be used for the purpose of supplementing salaries of teachers and other school employees and providing benefits for teachers, other school employees, and retirees.

P. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

2. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parishwide taxes			
Constitutional	4 86	4 86	N/A
Maintenance and operations	8 77	8 77	2021
District taxes			
Maintenance and operations –			
Instructional	21 35	21 35	2023
Bond and Interest	17 80	17 80	N/A

The two millages for Maintenance and Operations are restricted to facilities maintenance and certain educational items such as books. The Bond and Interest millage is restricted specifically for debt service on the School Board's bond issues.

The only taxpayer with assessed valuation in excess of 5% of total assessments was Boise Packaging & Newsprint, LLC. Boise's total assessed valuation was approximately \$46,000,000 generating approximately \$2,400,000 in ad valorem taxes.

3. DEPOSITS

At June 30, 2013, the School Board has cash and interest-bearing deposits (book balances) as follows:

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Interest-bearing deposits	\$ 15,977,573	\$ 509,126	\$ 16,486,699
Deposits with LAMP	23,528,053	235,243	23,763,296
Total	\$ 39,505,626	\$ 744,369	\$ 40,249,995

Additionally, the School Board has certificates of deposit totaling \$1,300,000 on deposit in local banks which are presented as investments in the financial statements. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

At June 30, 2013, the School Board has \$18,543,089 in deposits (collected bank balances) in local financial institutions, including certificates of deposit. These deposits are secured from risk by \$2,769,470 of federal deposit insurance (GASB Custodial Credit Risk Category 1) and \$15,773,619 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Custodial Credit Risk Category 3).

Even though the pledged securities are not considered collateral (Category 3) under the provisions of GASB Statement 3, R S 39 1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand. The School Board's policy does not address custodial credit risk for deposits.

4. INVESTMENTS

Investments at June 30, 2013 consisted of the certificates of deposit. All certificates have maturities of six months from their original purchase dates. Restricted investments consist of a certificate of deposit that is pledged to the state worker's compensation fund and is included in the self-insurance internal service fund.

As discussed in Note 3, certificates of deposit are considered uncollateralized (Category 3) under the provisions of GASB Statement 3. Deposits with LAMP are not categorized as those deposits are not evidenced by securities that exist in physical or book-entry form.

Although the School Board's policy does not formally address credit or interest rate risk, it does emphasize safety and liquidity over investment return. This policy does limit exposure to fluctuations in interest rates due to the short-term nature of securities purchased and the School Board's intent and ability to hold debt securities to maturity. Interest rates on certificates of deposit range from 1.2-2.5% and it is the practice of the School Board to generally purchase certificates with maturities of six months or less and never over one year. LAMP's investment policy also emphasizes safety and liquidity with a substantial portion of the underlying securities pool having maturities of less than 30 days. LAMP is rated AAAM with Standard & Poors.

The School Board entered into a security agreement with the State of Louisiana Office of Workers' Compensation (OWC) that grants to OWC a security interest in the School Board's \$300,000 certificate of deposit. The security interest is to secure the prompt payment of all obligations under the provisions of the Louisiana Workers' Compensation Act.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

5. RECEIVABLES

The receivables of \$1,590,607 at June 30, 2013, are as follows

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Total</u>
Taxes				
Sales	\$ -	\$ 943,006	\$ -	\$ 943,006
Advalorem	1,222	7,571	4,474	13,267
Intergovernmental - grants				
Federal	-	565,943	-	565,943
State	65,568	-	-	65,568
Other	2,000	823	-	2,823
Total	<u>\$ 68,790</u>	<u>\$ 1,517,343</u>	<u>\$ 4,474</u>	<u>\$ 1,590,607</u>

6. CAPITAL ASSETS

The changes in capital assets follow

<u>Governmental Activities</u>	<u>Balance, Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance, End of Year</u>
Capital assets not being depreciated					
Land	\$ 305,618	\$ -	\$ -	\$ -	\$ 305,618
Construction in progress	11,119,594	3,157,816	-	(13,225,315)	1,052,095
	11,425,212	3,157,816	-	(13,225,315)	1,357,713
Capital assets being depreciated					
Buildings and improvements	68,209,111	200,458	(446,031)	13,225,315	81,188,853
Furniture and equipment	12,484,705	654,369	(634,072)	-	12,505,002
	80,693,816	854,827	(1,080,103)	13,225,315	93,693,855
Less accumulated depreciation					
Buildings and improvements	(36,926,587)	(1,319,321)	446,031	-	(37,799,877)
Furniture and equipment	(9,525,594)	(432,750)	634,072	-	(9,324,272)
	(46,452,181)	(1,752,071)	1,080,103	-	(47,124,149)
Total capital assets being depreciated, net	34,241,635	(897,244)	-	13,225,315	46,569,706
Governmental activities capital assets, net	<u>\$ 45,666,847</u>	<u>\$ 2,260,572</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,927,419</u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

Depreciation expense of \$1,752,071 for the year ended June 30, 2013, was charged to the following governmental functions

Instruction	
Regular Education	\$ 1,262,619
Special Education	229,228
Support Services	
Student Services	43,571
Instructional Staff Support	32,766
General Administration	2,297
School Administration	18,104
Business Services	5,108
Plant Services	12,797
Student Transportation Services	28,295
Central Services	606
School Food Services	116,680
	<u>116,680</u>
Total	<u>\$ 1,752,071</u>

7. ACCOUNTS, SALARIES, AND OTHER PAYABLES

Accounts, salaries, and other payables of \$8,832,959 at June 30, 2013, consists of the following

	General Fund	Sales Tax Fund	Operations & Maintenance	School Food Service	Capital Projects Fund	Non-major Special Revenue Funds	Total
Salaries and benefits	\$ 7,214,829	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,214,829
Accounts	240,224	19,535	305,305	2,023	897,765	68,086	1,532,938
Retainage	-	-	-	-	85,192	-	85,192
Total	<u>\$ 7,455,053</u>	<u>\$ 19,535</u>	<u>\$ 305,305</u>	<u>\$ 2,023</u>	<u>\$ 982,957</u>	<u>\$ 68,086</u>	<u>\$ 8,832,959</u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

8. RETIREMENT SYSTEMS

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana, other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A Teachers' Retirement System of Louisiana (TRS)

Plan Description The TRS consists of three membership plans: Regular Plan, Plan A, and Plan B. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

Funding Policy Plan members are required to contribute 8.0%, 9.1%, and 5.0% of their annual covered salary for the Regular Plan, Plan A, and Plan B, respectively. The School Board is required to contribute at an actuarially-determined rate. The current rate is 24.5% of annual covered payroll for all three membership plans. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board. The School Board's contributions to the TRS for the years ending June 30, 2013, 2012, and 2011, were \$7,101,687, \$6,527,632, and \$5,540,055, respectively, equal to the required contributions for each year.

Trend information Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Three-year trend information for the years ended June 30, is presented as follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarial value of assets as percentages of			
actuarial accrued liability	56.4%	55.4%	55.1%
Unfunded actuarial accrued liability as			
percentages of covered payroll	304.6%	287.6%	277.0%
Employer contributions as percentages of covered payroll	26.4%	25.7%	21.9%

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

B Louisiana School Employees' Retirement System (LSERS)

Plan Description The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained by writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.

Funding Policy Plan members are required to contribute 7.5% of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 32.6% of annual covered payroll. Contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSERS is set by state statute at the greater of 6% or the actuarially determined required rate. Since the statutory rate has been significantly greater than the actuarially required rate in recent years, employers have accumulated a contribution credit. As such, the School Board's contributions to the LSERS for the years ending June 30, 2013, 2012, and 2011, were \$950,536, \$879,243, and \$716,027, respectively, which is equal to the required contributions each year.

Trend information Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Three-year trend information for the years ended June 30, is presented as follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarial value of assets as percentages of actuarial accrued liability	62.1%	61.0%	61.0%
Unfunded actuarial accrued liability as percentages of covered payroll	314.2%	315.7%	281.8%
Employer contributions as percentages of covered payroll	30.4%	29.8%	17.6%

C Louisiana Parochial Employees' Retirement System (LPERS)

Plan Description Board members can elect to participate in the LPERS, which provides retirement benefits. Ten years of service credit is required to become vested for retirement benefits. Benefits are established and amended by state statute. The LPERS issues a publicly available financial report that includes financial statements and required supplementary information for the LPERS. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

Funding Policy Plan members are required to contribute 9.5% of their annual salary and the School Board is required to contribute at an actuarially determined rate. The current rate is 16.75% of covered payroll. The School Board's contributions to the LPERS for the years ending June 30, 2013, 2012, and 2011, were \$0, \$0, and \$1,071, respectively, equal to the required contributions each year.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

Trend information Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Three-year trend information for the years ended December 31, is presented as follows:

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Actuarial value of assets as percentages of actuarial accrued liability	100.0%	98.5%	98.0%
Unfunded actuarial accrued liability as percentages of covered payroll	0.00%	6.68%	8.37%
Employer contributions as percentages of covered payroll	17.3%	15.7%	15.6%

9. INTERFUND ACTIVITIES

The following is a summary of interfund receivables and payables at June 30, 2013:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Sales Tax Fund	\$ 86,351
General Fund	Non-major special revenue funds	<u>509,224</u>
		<u>\$ 595,575</u>

Generally, interfund receivables/payables result from overdrafts of the common cash pool.

The following is a summary of interfund transfers for the year ended June 30, 2013:

<u>Receiving Fund</u>	<u>Paying Fund</u>	<u>Amount</u>
General Fund	Non-major special revenue funds	\$ 332,182
School Food Service Fund	General Fund	556,096
Non-major special revenue funds	General Fund	<u>128,551</u>
		<u>\$ 1,016,829</u>

Generally, interfund transfers result from the 1) reimbursement of indirect costs from federal programs to the General Fund, or 2) reimbursement to other funds for expenditures paid on behalf of the General Fund. Additionally, a budgeted transfer was made to the Internal Service Fund.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

10. LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 2013

	Bonded Debt	Compensated Absences	OPEB Liability	Total
Long-term obligations at beginning of year	\$ 48,577,000	\$ 901,894	\$ 23,078,803	\$ 72,557,697
Additions	3,315,000	783,442	6,612,851	10,711,293
Deductions	(5,404,000)	(651,626)	(2,629,779)	(8,685,405)
Long-term obligations at end of year	<u>\$ 46,488,000</u>	<u>\$ 1,033,710</u>	<u>\$ 27,061,875</u>	<u>\$ 74,583,585</u>
Due within one year	<u>\$ 2,708,000</u>	<u>\$ 651,626</u>	<u>\$ 2,629,779</u>	<u>\$ 5,989,405</u>

General Obligation Bonds

All School Board bonds outstanding at June 30, 2013, are general obligation bonds with maturities from 2013 to 2031 and interest rates from 2.0% to 4.95%. Bond principal and interest payable in the next fiscal year are \$2,708,000 and \$1,727,196, respectively. Proceeds of these bonds are restricted to construction projects as outlined in the related parish-wide elections authorizing the issuance of the bonds. The individual issues are as follows:

<u>Bond Issue</u>	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
Series 2004	\$ 5,000,000	3.34 3%	2024	\$ 7,636	\$ 235,000
Series 2005A	6,450,000	3.8%	2018	415,290	3,530,000
Series 2007	2,000,000	4.1%	2019	159,163	1,210,000
Series 2009	10,000,000	1.04 95%	2029	3,902,035	8,770,000
Series 2009A	10,000,000	1.25 4 3%	2029	3,432,863	8,955,000
Series 2010	10,000,000	3.04 125%	2030	3,743,962	9,625,000
Series 2011 Refunding	1,339,000	2.4	2021	125,840	1,103,000
Series 2012	9,800,000	2.03 6%	2030	3,251,201	9,800,000
Series 2013 Refunding	3,315,000	2.0%	2024	443,306	3,260,000
	<u>\$ 57,904,000</u>			<u>\$ 15,481,296</u>	<u>\$ 46,488,000</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish (or other as indicated).

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

At June 30, 2013 the School Board has accumulated \$4,793,272 in the debt service fund for future debt requirements. The bonds are due as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2013	\$ 2,733,000	\$ 1,678,175	\$ 4,411,175
2014	2,861,000	1,584,105	4,445,105
2015	2,999,000	1,488,160	4,487,160
2016	3,127,000	1,386,437	4,513,437
2017	3,280,000	1,277,474	4,557,474
2018-2022	12,573,000	5,024,559	17,597,559
2023-2027	13,585,000	2,715,747	16,300,747
2028-2031	5,330,000	326,639	5,656,639
Total	<u>\$ 46,488,000</u>	<u>\$ 15,481,296</u>	<u>\$ 61,969,296</u>

In accordance with R S 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 50% of the assessed value of taxable property. At June 30, 2013, the statutory limit is approximately \$130 million.

11. EQUITY RESTRICTIONS

As discussed in Note 1(P), the School Board receives the proceeds of two one-cent sales taxes which are dedicated to employee salaries and benefits. Revenues from these taxes and the related expenditures are recorded in the Sales Tax Fund and the resulting fund balance is considered restricted for future salaries.

As discussed in Note 2, certain property tax millages are restricted as to use. The two Maintenance and Operating millages are restricted for facilities maintenance and certain educational items. Revenues from these millages and the related expenditures are recorded in the Operations and Maintenance Fund and the resulting fund balance is considered restricted for future maintenance. There is also a Bond and Interest millage dedicated to debt service which is recorded in the Debt Service Fund and the resulting fund balance is considered restricted for future debt service.

As discussed in Note 10, proceeds of general obligation bonds authorized in parish-wide elections held in 1997 and 2008 are restricted to certain construction projects as outlined in the tax propositions. The proceeds of the bonds are recorded in the Capital Projects Fund and the resulting fund balance in the Capital Projects Fund is considered restricted for future construction projects.

It is the Board's policy to set aside five percent of revenues for contingencies. This amount was recorded as committed fund balance in the General Fund at June 30, 2013.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

12. RISK MANAGEMENT

The School Board maintains insurance coverage through commercial insurance carriers for liability, errors and omissions, employee bonds, and property insurance. The School Board is partially self-insured for workers' compensation claims.

An internal service fund was established to fund workers' compensation claims through interfund premiums, which are based primarily on the individual fund's payroll. Rates are determined by the School Board in consultation with its insurance expert. These premiums are reported as expenditures in the individual funds. No premiums were paid by the various funds during the year as it was determined that the self-insurance fund maintained adequate reserves. An insurance policy covers individual claims in excess of \$175,000. There were no instances during the past three years where settlements exceeded insurance coverage. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate, in consultation with its insurance expert, based on analysis of the known claims and historical loss data.

Changes in the liability for estimated workers' compensation claims for the years ended June 30, 2013 and 2012 is as follows:

	2013	2012
Liability at beginning of year	\$ 453,213	\$ 459,610
Claims accrued	487,464	306,803
Claims paid	<u>(446,989)</u>	<u>(313,200)</u>
Liability at end of year	<u>\$ 493,688</u>	<u>\$ 453,213</u>

13. LITIGATION, CLAIMS, AND OTHER CONTINGENT LIABILITIES

The School Board is a defendant in a number of lawsuits arising principally in the normal course of operations. In the opinion of the School Board and legal counsel, the outcomes of these lawsuits will not have a material adverse effect on the accompanying basic financial statements and, accordingly, no provision for losses has been recorded.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applied funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, however, the School Board expects such amounts, if any, to be immaterial.

Under the Internal Revenue Code, interest earned on debt proceeds in excess of interest expense prior to the disbursement of such proceeds (called "arbitrage") must be rebated to the Internal Revenue Service. Management believes there is no arbitrage rebate liability at year end.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

14. COMMITMENTS

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year end and outstanding encumbrances are re-appropriated in the next year. At June 30, 2013, the School Board had outstanding purchase orders in the amount of approximately \$1,000.

The School Board is committed under several construction contracts that is to be paid from the Capital Projects Fund as the construction projects progress. At June 30, 2013, there were remaining commitments of \$2,852,647 related to these contracts. This amount is included in the restricted fund balance in the Capital Projects Fund.

15. OTHER POST-EMPLOYMENT BENEFITS

Plan Description In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through Office of Group Benefits, whose monthly premiums are paid jointly by the employee and by the School Board. The cost of retiree benefits included in these expenditures.

Funding Policy The contribution requirements of plan members and the School Board are established and may be amended by LA R S 42:801-883. Employees do not contribute to their other post employment benefits cost until they become retirees and begin receiving those benefits. The healthcare and life insurance premiums are paid 25% by the retiree and 75% by the employer.

The plan is currently financed on a pay-as-you-go basis, with the School Board contributing \$2,629,779 for 337 retirees and \$2,589,694 for 334 retirees during the years ended June 30, 2013 and 2012, respectively.

Annual Required Cost and Liability The School Board's Annual Required Contribution ("ARC") is an amount actuarially-determined in accordance with GASB 45, which was implemented prospectively beginning in fiscal 2009. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize the beginning Unfunded Actuarial Liability ("UAL") over a period of 30 years. A 30-year, closed amortization period has been used with a level-dollar amortization factor. The total ARC for the fiscal year 2013 is \$5,689,700 which consists of normal cost of \$2,464,000 and amortization of UAL of \$3,225,700.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (continued)

The following table presents the School Board's OPEB obligation for the year ended June 30, 2013

Beginning OPEB obligation at July 1, 2012	\$ 23,078,802
Annual Required Contribution	5,689,700
Interest on prior year obligation	923,152
Annual OPEB cost	<u>6,612,852</u>
Less current year premiums paid	(2,629,779)
Increase in net OPEB obligation	<u>3,983,073</u>
Ending net OPEB obligation at June 30, 2013	<u><u>\$ 27,061,875</u></u>

Utilizing the pay-as-you-go method, the School Board contributed 39.7% of the annual OPEB cost during 2013

Funded Status and Funding Progress Since the plan is not funded, the School Board's entire actuarial accrued liability of \$79,918,000 was unfunded. See Exhibit 5 for funding progress of the plan.

Actuarial Methods and Assumptions Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2012 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses). An annual healthcare cost trend rate was used, using an initial rate of 9.0% for pre-Medicare participants and 10.1% for Medicare-Eligible participants, both reduced by decrements to an ultimate rate of 5.0% after twelve years. The actuarial assumptions used a payroll growth rate of 3.0%. The RP 2000 Mortality Table was used in the actuarial calculation. Disability rates for employees ranged from 0.3% for employees age 20 to 1.54% for employees over the age of 65. The actuarial assumptions used for withdrawal rates and retirement rates differ by employment group. Withdrawal rates ranged from 10% for teachers age 20 to 2.0% for teachers age 60 and 16.0% other-employees age 20 to 1.6% for other-employees age 60. Retirement rates ranged from 3.0% for teachers age 45 to 100% for teachers aged 75 and 0.0% other-employees age 45 to 100% for other-employees age 75. The remaining amortization period at June 30, 2013 was 26 years.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Notes to the Financial Statements (concluded)

16. SALES TAX CLAIM PAYABLE

Beauregard Parish's largest taxpayer, Boise Packaging & Newsprint, LLC, made a claim for reimbursement of previous sales taxes paid based on the result of a court case involving another paper mill in the state which determined that certain products used in the production of paper was not subject to sales tax. The School Board's share of the final negotiated settlement amount was \$2,149,103 which was paid on October 10, 2013. The liability for this claim was reflected in the Statement of Net Position.

17. MISAPPROPRIATION OF SCHOOL ACTIVITY FUNDS

During the year it was discovered that a school employee had misappropriated approximately \$147,000 of school activity funds. The misappropriation was covered by insurance and a receivable has been recorded in the School Activity Fund to reflect the reimbursement of the loss.

18. SUBSEQUENT EVENTS

The School Board evaluated its June 30, 2013 financial statements for subsequent events through December 30, 2013, the date the financials were available to be issued. The School Board is not aware of any additional subsequent events which would require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Exhibit 1

Budgetary (GAAP Basis) Comparison Schedule
General Fund
For the Year Ended June 30, 2013

	Budgeted Amounts			Variance Over (Under)
	Original	Final	Actual	
Revenues				
Local sources				
Ad valorem taxes	\$ 1,518,553	\$ 1,613,086	\$ 1,301,307	\$ (311,779)
Sales and use taxes	-	-	-	-
Interest earnings	35,000	28,500	28,924	424
Other	77,113	442,624	168,667	(273,957)
State sources				
Equalization	37,264,131	36,407,682	36,353,944	(53,738)
Other	1,012,824	413,798	802,182	388,384
Federal sources	34,436	34,765	-	(34,765)
Total revenues	39,942,057	38,940,455	38,655,024	(285,431)
Expenditures				
Instruction				
Regular programs	18,062,424	16,702,118	17,020,816	(318,698)
Special education programs	4,361,505	4,356,003	4,166,939	189,064
Vocational educational programs	1,429,285	1,458,999	1,434,867	24,132
Other instructional programs	1,382,794	1,374,315	1,356,138	18,177
Special programs	330,211	354,064	316,958	37,106
Adult and continuing education programs	34,233	9,030	9,786	(756)
Support services				
Student services	2,399,332	2,473,534	2,390,354	83,180
Instructional staff support	1,917,096	1,902,569	1,776,751	125,818
General administration	1,315,407	1,420,527	1,238,488	182,039
School administration	3,103,263	3,017,414	2,991,177	26,237
Business administration	492,373	479,068	460,535	18,533
Plant services	-	-	190,540	(190,540)
Student transportation services	3,603,836	3,580,066	3,421,073	158,993
Central services	909,858	881,180	820,179	61,001
Food services	-	-	-	-
Community service programs	12,530	12,530	12,530	-
Facilities acquisition and construction	32,000	179,680	-	179,680
Debt service	-	-	-	-
Total expenditures	39,386,147	38,201,097	37,607,131	593,966
Excess (deficiency) of revenues over (under) expenditures	555,910	739,358	1,047,893	308,535
Other financing sources (uses)				
Proceeds of sale of capital assets	-	2,743	352,582	349,839
Operating transfers in	279,716	621,963	332,182	(289,781)
Operating transfers out	(856,152)	(749,577)	(684,647)	64,930
Total other financing sources (uses)	(576,436)	(124,871)	117	124,988
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(20,526)	614,487	1,048,010	433,523
Fund balances - beginning of year	18,930,758	18,930,758	18,930,758	-
Fund balances - end of year	\$ 18,910,232	\$ 19,545,245	\$ 19,978,768	\$ 433,523

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Exhibit 2

Budgetary (GAAP Basis) Comparison Schedule
Major Special Revenue Fund - School Food Service
For the Year Ended June 30, 2013

	Budgeted Amounts			Variance Over/ (Under)
	Original	Final	Actual	
Revenues:				
Local sources				
Interest earnings	\$ 300	\$ 300	\$ 285	\$ (15)
Food services	480,000	480,000	443,108	(36,892)
Other	-	234	234	-
State sources				
Equalization	40,222	40,591	40,591	-
Federal sources	1,722,580	1,650,000	1,791,493	141,493
Total revenues	2,243,102	2,171,125	2,275,711	104,586
Expenditures:				
Food services	3,108,195	3,027,638	2,832,815	194,823
Total expenditures	3,108,195	3,027,638	2,832,815	194,823
Excess (deficiency) of revenues over (under) expenditures	(865,093)	(856,513)	(557,104)	299,409
Other financing sources (uses):				
Operating transfers in	651,196	615,410	556,096	(59,314)
Total other financing sources (uses)	651,196	615,410	556,096	(59,314)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(213,897)	(241,103)	(1,008)	240,095
Fund balances - beginning of year	382,223	-	382,223	382,223
Fund balances - end of year	\$ 168,326	\$ (241,103)	\$ 381,215	\$ 622,318

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Exhibit 3

Budgetary (GAAP Basis) Comparison Schedule
Sales Tax Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
Revenues				
Local sources				
Sales and use taxes	\$ 10,405,546	\$ 11,333,185	\$ 10,864,481	\$ (468,704)
Total revenues	10,405,546	11,333,185	10,864,481	(468,704)
Expenditures				
Instruction				
Regular programs	4,312,086	5,503,045	4,872,907	630,138
Special education programs	1,408,617	1,365,208	1,333,250	31,958
Vocational educational programs	457,448	393,056	370,614	22,442
Other instructional programs	131,574	171,780	155,440	16,340
Special programs	86,680	111,464	102,776	8,688
Adult and continuing education programs	11,568	16,738	14,249	2,489
Support services				
Student services	586,527	643,194	574,332	68,862
Instructional staff support	573,171	501,837	483,973	17,864
General administration	330,929	352,359	312,089	40,270
School administration	904,656	928,269	873,481	54,788
Business administration	132,694	121,616	121,620	(4)
Plant services	711,699	629,040	619,309	9,731
Student transportation services	625,033	724,577	703,053	21,524
Central services	277,831	189,504	187,212	2,292
Food services	481,897	566,607	538,165	28,442
Total expenditures	11,032,410	12,218,294	11,262,470	955,824
Excess (deficiency) of revenues over (under) expenditures	(626,864)	(885,109)	(397,989)	487,120
Fund balances - beginning of year	1,235,109	1,235,109	1,235,109	-
Fund balances - end of year	\$ 608,245	\$ 350,000	\$ 837,120	\$ 487,120

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Exhibit 3

Budgetary (GAAP Basis) Comparison Schedule
Operations and Maintenance Fund
For the Year Ended June 30, 2013

	Budgeted Amounts			Variance Over (Under)
	Original	Final	Actual	
Revenues:				
Local sources				
Ad valorem taxes	\$ 5,853,920	\$ 6,435,651	\$ 6,495,265	\$ 59,614
Other	2,000	3,000	2,995	(5)
State sources				
Other	171,680	258,105	171,679	(86,426)
Total revenues	6,027,600	6,696,756	6,669,939	(26,817)
Expenditures				
Instruction				
Regular programs	103,117	178,117	165,385	12,732
Special education programs	-	-	-	-
Vocational educational programs	-	-	-	-
Other instructional programs	-	-	-	-
Support services				
Student services	-	-	-	-
Instructional staff support	61,150	61,150	59,007	2,143
Business administration	-	-	-	-
Plant services	5,233,997	5,177,687	5,156,180	21,507
Central services	-	511,100	418,293	92,807
Facilities acquisition and construction	519,000	515,500	200,458	315,042
Total expenditures	5,917,264	6,443,554	5,999,323	444,231
Excess (deficiency) of revenues over (under) expenditures	110,336	253,202	670,616	417,414
Other financing sources (uses)				
Proceeds of sale of capital assets	-	11,513	65,718	54,205
Total other financing sources (uses)	-	11,513	65,718	54,205
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	110,336	264,715	736,334	471,619
Fund balances - beginning of year	864,220	864,220	864,220	-
Fund balances - end of year	\$ 974,556	\$ 1,128,935	\$ 1,600,554	\$ 471,619

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Exhibit 5

Schedule of Funding Progress
Other Post-Employment Benefits

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)
07/01/08	\$ -	\$ 124,713,400	\$ 124,713,400	0%
07/01/09	-	106,241,300	106,241,300	0%
07/01/10	-	102,262,600	102,262,600	0%
07/01/11	-	76,234,700	76,234,700	0%
07/01/12	-	79,918,000	79,918,000	0%

**BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana**

**Notes to the Required Supplementary Information
As of and for the Year Ended June 30, 2013**

1. BUDGETS

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental, or project level. However, when projected revenues within a fund fail to meet budgeted revenues and/or projected expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting

Budgets are prepared for all governmental funds of the School Board. The budgets are prepared on the modified accrual basis of accounting (GAAP). Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources (including fund balance) must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function.

SUPPLEMENTAL INFORMATION SCHEDULES

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 1

Combining Balance Sheet - Nonmajor Governmental Funds by Type
June 30, 2013

	Special Revenue Funds	Total Nonmajor Governmental Funds
Assets and other debits:		
Assets		
Equity in pooled cash and investments	\$ 27,374	\$ 27,374
Receivables	565,943	565,943
Total assets	<u>\$ 593,317</u>	<u>\$ 593,317</u>
Liabilities and fund balances		
Liabilities		
Accounts, salaries, and other payables	\$ 68,086	\$ 68,086
Interfund payable	509,224	509,224
Total liabilities	<u>577,310</u>	<u>577,310</u>
Fund balances		
Reserved for:		
Federal programs	16,007	16,007
Total fund balances	<u>16,007</u>	<u>16,007</u>
Total liabilities and fund balances	<u>\$ 593,317</u>	<u>\$ 593,317</u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 2

**Combining Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Nonmajor Governmental Funds
For the Year Ended June 30, 2013**

	Special Revenue Funds	Total Nonmajor Governmental Funds
Revenues		
Local sources		
Other	\$ 160,126	\$ 160,126
Federal sources	3,545,442	3,545,442
Total revenues	<u>3,705,568</u>	<u>3,705,568</u>
Expenditures		
Instruction		
Regular programs	439,367	439,367
Special education programs	653,011	653,011
Vocational educational programs	55,240	55,240
Other instructional programs	156,822	156,822
Special programs	1,222,291	1,222,291
Adult and continuing education programs	-	-
Support services		
Student services	423,227	423,227
Instructional staff support	500,590	500,590
School administration	-	-
Student transportation services	347	347
Community services	45,827	45,827
Central services	3,375	3,375
Total expenditures	<u>3,500,097</u>	<u>3,500,097</u>
Excess (deficiency) of revenues over (under) expenditures	205,471	205,471
Other financing sources (uses).		
Transfers in	128,551	128,551
Transfers out	(332,182)	(332,182)
Total other financing sources (uses)	<u>(203,631)</u>	<u>(203,631)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	1,840	1,840
Beginning fund balances	<u>14,167</u>	<u>14,167</u>
Ending fund balances	<u><u>\$ 16,007</u></u>	<u><u>\$ 16,007</u></u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

June 30, 2013

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BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Nonmajor Special Revenue Funds

Special revenue funds are used to account for specific revenues that are restricted to expenditure for particular purposes. The non-major special revenue funds consist of individual federal grant programs. Following is a description of the significant programs:

EduJobs One-time Federal program that provides funds to help stabilize state and local education district budgets. It is used for salaries and benefits to help save/create education jobs.

Title I Federal program that provides funds for instructional activities and services to meet the educational needs of educationally deprived students. School must qualify as economically deprived. A qualified school may offer services to all students kindergarten through fifth grade. Services are offered at the following locations: Carver Elementary, Pinewood Elementary, East Beauregard Elementary, Hyatt High, Merryville High, Singer High, KR Hanchey Elementary, and South Beauregard Elementary.

Title II Federal program that focuses on reducing class sizes and preparing, training, and recruiting high-quality teachers. Serves all schools and grades.

Title IV Federal program that provides funds to implement drug abuse education and prevention programs. Serves all grades and all schools.

Individuals with Disabilities Education Act (IDEA) Federal program that provides materials and supplies, equipment and related services. Serves special education population students age 3-22 at all schools.

Preschool Federal program that provides materials and supplies, equipment and related services. Serves special education population students age 3-5 at all k-12 schools and KR Hanchey Elementary.

Medicaid Generated by services provided by the school board for families of Medicaid recipients (for example, speech or occupational therapy). Serves Medicaid recipients and special education population in all schools.

Vocational Education Basic (Carl Perkins) Federal program that provides funds to implement a vigorous program to students pursuing a vocation.

Adult Education To make available to educationally disadvantaged adults, an opportunity to acquire basic literacy skills necessary to function in society and become more employable, productive, and responsible citizens.

JROTC A high school course given during regular school hours. Covers history, government, technology awareness, and current events. Services provided at DeRidder High School, East Beauregard High School, and South Beauregard High School.

Enhancing Education Through Technology Federal program to improve student achievement through the use of technology.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 3

Combining Balance Sheet - Nonmajor Special Revenue Funds
June 30, 2013

	Title I	Title II	Enhancing Ed Thru Technology	IDEA	Preschool	Hurricane Impact Aid	Adult Education
Assets							
Equity in pooled cash and investments	\$ -	\$ 11,302	\$ 859	\$ -	\$ -	\$ 2,807	\$ 2,220
Receivables	306,588	22,592	-	207,997	15,693	-	-
Interfund receivable	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-
Total assets	\$ 306,588	\$ 33,894	\$ 859	\$ 207,997	\$ 15,693	\$ 2,807	\$ 2,220
Liabilities and fund equity							
Liabilities							
Accounts, salaries, and other payables	\$ 28,711	\$ 33,894	\$ -	\$ 5,382	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-	-	-	-
Due to General Fund	277,877	-	-	202,615	15,693	-	-
Total liabilities	306,588	33,894	-	207,997	15,693	-	-
Fund equity							
Fund balances							
Reserved for federal programs	-	-	859	-	-	2,807	2,220
Total liabilities and fund equity	\$ 306,588	\$ 33,894	\$ 859	\$ 207,997	\$ 15,693	\$ 2,807	\$ 2,220

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 3

Combining Balance Sheet - Nonmajor Special Revenue Funds (Continued)
June 30, 2013

	Carl Perkins	Ensuring Literacy For All	JROTC	Rural Education Achievement	Medicaid- Nurses	Medicaid- Direct Services	Title I- Local	Totals
Assets								
Equity in pooled cash and investments	\$ -	\$ 5,696	\$ -	\$ 945	\$ -	\$ -	\$ 3,545	\$ 27,374
Receivables	839	-	8,548	-	-	3,686	-	565,943
Total assets	\$ 839	\$ 5,696	\$ 8,548	\$ 945	\$ -	\$ 3,686	\$ 3,545	\$ 593,317
Liabilities and fund equity								
Liabilities								
Accounts, salaries, and other payables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34	\$ 65	\$ 68,086
Due to General Fund	839	-	8,548	-	-	3,652	-	509,224
Total liabilities	839	-	8,548	-	-	3,686	65	577,310
Fund equity								
Fund balances								
Reserved for federal programs	-	5,696	-	945	-	-	3,480	16,007
Total liabilities and fund equity	\$ 839	\$ 5,696	\$ 8,548	\$ 945	\$ -	\$ 3,686	\$ 3,545	\$ 593,317

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 4

**Combining Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended June 30, 2013**

	Title I	Title II	Enhancing Ed Thru Technology	IDEA	Preschool	Hurricane Impact Aid	Adult Education
Revenues							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	1,500,113	310,396	-	1,483,668	62,657	-	-
Total revenues	1,500,113	310,396	-	1,483,668	62,657	-	-
Expenditures							
Instruction							
Regular programs	6,683	215,334	-	217,350	-	-	-
Special education programs	-	-	-	589,167	7,558	-	-
Vocational educational programs	-	-	-	-	-	-	-
Other instructional programs	2,216	-	-	-	-	-	-
Special programs	1,222,291	-	-	-	-	-	-
Support services							
Student services	18,537	-	-	298,826	6,015	-	-
Instructional staff support	105,670	65,926	-	270,175	44,649	-	-
Student transportation services	-	-	-	347	-	-	-
Central services	38,381	4,733	-	2,713	-	-	-
Community services	-	-	-	-	-	-	-
Total expenditures	1,393,778	285,993	-	1,378,578	58,222	-	-
Excess (deficiency) of revenues over (under) expenditures	106,335	24,403	-	105,090	4,435	-	-
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	(106,335)	(24,403)	-	(105,090)	(4,435)	-	-
Total other financing sources (uses)	(106,335)	(24,403)	-	(105,090)	(4,435)	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	-	-	-	-	-
Beginning fund balances	-	-	859	-	-	2,807	2,220
Ending fund balances	\$ -	\$ -	\$ 859	\$ -	\$ -	\$ 2,807	\$ 2,220

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 4

**Combining Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Special Revenue Funds (continued)
For the Year Ended June 30, 2013**

	Carl Perkins	Ensuring Literacy For All	JROTC	Rural Education Achievement	Medicaid- Nurses	Medicaid- Direct Services	Title I- Local	Total
Revenues								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 152,341	\$ 7,785	\$ 160,126
Federal sources	63,237	-	125,371	-	-	-	-	3,545,442
Total revenues	63,237	-	125,371	-	-	152,341	7,785	3,705,568
Expenditures								
Instruction								
Regular programs	-	-	-	-	-	-	-	439,367
Special education programs	-	-	-	-	-	56,286	-	653,011
Vocational educational programs	55,240	-	-	-	-	-	-	55,240
Other instructional programs	-	-	154,606	-	-	-	-	156,822
Special programs	-	-	-	-	-	-	-	1,222,291
Support services								
Student services	1,571	-	-	-	98,278	-	-	423,227
Instructional staff support	6,426	-	-	-	93	4,136	3,515	500,590
Student transportation services	-	-	-	-	-	-	-	347
Central services	-	-	-	-	-	-	-	45,827
Community services	-	-	-	-	-	-	3,375	3,375
Total expenditures	63,237	-	154,606	-	98,371	60,422	6,890	3,500,097
Excess (deficiency) of revenues over (under) expenditures	-	-	(29,235)	-	(98,371)	91,919	895	205,471
Other financing sources (uses)								
Transfers in	-	-	29,235	945	98,371	-	-	128,551
Transfers out	-	-	-	-	-	(91,919)	-	(332,182)
Total other financing sources (uses)	-	-	29,235	945	98,371	(91,919)	-	(203,631)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	-	945	-	-	895	1,840
Beginning fund balances	-	5,696	-	-	-	-	2,585	14,167
Ending fund balances	\$ -	\$ 5,696	\$ -	\$ 945	\$ -	\$ -	\$ 3,480	\$ 16,007

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Agency Fund

Agency funds account for assets held in a fiduciary capacity by the School Board

School Activity Funds

The School Activity Funds account for monies generated by the individual schools and school organizations within the parish. While these accounts are under the supervision of the School Board, they belong to the individual schools, related organizations, or student bodies and are not available for use by the School Board.

Schedule of Changes in Assets and Liabilities - Agency Fund
June 30, 2013

	STUDENT ACTIVITY FUND			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Cash and cash equivalents	\$ 796,666	\$ 2,365,901	\$ (2,418,198)	\$ 744,369
Receivable from insurance	-	147,648	-	147,648
Total assets	<u>\$ 796,666</u>	<u>\$ 2,513,549</u>	<u>\$ (2,418,198)</u>	<u>\$ 892,017</u>
Liabilities				
Deposits due others	\$ 796,666	\$ 2,513,549	\$ (2,418,198)	\$ 892,017
Total liabilities	<u>\$ 796,666</u>	<u>\$ 2,513,549</u>	<u>\$ (2,418,198)</u>	<u>\$ 892,017</u>

Schedule of Changes in Deposits Due Others -
School Activity Agency Fund
For the Year Ended June 30, 2013

<u>School</u>	Balance at Beginning of Year	Additions	Deductions	Balance at End of Year
Beauregard Alternative School	\$ 23,433	\$ 3,626	\$ (8,060)	\$ 18,999
G W Carver Elementary School	22,701	63,908	(55,688)	30,921
DeRidder High School	194,242	571,129	(584,508)	180,863
DeRidder Junior High School	42,970	226,074	(210,221)	58,823
East Beauregard Elementary School	38,922	85,262	(77,514)	46,670
East Beauregard High School	74,403	350,675	(239,341)	185,737
K R Hanchey Elementary School	17,591	92,294	(99,942)	9,943
Merryville High School	39,574	220,408	(232,750)	27,232
Pinewood Elementary School	88,619	98,833	(105,825)	81,627
Singer High School	39,801	109,372	(111,923)	37,250
South Beauregard Elementary School	30,716	66,881	(71,911)	25,686
South Beauregard Upper Elementary School	-	89,770	(71,633)	18,137
South Beauregard High School	183,694	535,317	(548,882)	170,129
	<u>\$ 796,666</u>	<u>\$ 2,513,549</u>	<u>\$ (2,418,198)</u>	<u>\$ 892,017</u>

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana

Schedule 7

Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2013

<u>MEMBERS</u>	<u>AMOUNT</u>
Jimmy Barrett	\$ 8,400
Randy Brown	8,400
Kathy Brunner	8,400
Jerry Cooley	9,000
Don Gray	8,400
Russell Havens	8,400
Charles Hudson	8,400
Damn Manuel	8,400
Wesley Taylor	8,400
David Vidrne	9,000
	<u>\$ 85,200</u>

**REPORTS AND ADDITIONAL
INFORMATION REQUIRED BY
*GOVERNMENT AUDITING
STANDARDS* AND
SINGLE AUDIT ACT
AMENDMENTS OF 1996**



J. Aaron Cooper , CPA, LLC

P.O. Box 967 • 768 Parish Line Road • DeRidder, Louisiana 70634

(337) 794-2470 • aaron@acoopercpa.com

Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Beauregard Parish School Board
DeRidder, Louisiana

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of governmental activities, the major funds, and the aggregate remaining fund information of the Beauregard Parish School Board as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements and have issued my report thereon dated December 30, 2013.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the School Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control. Accordingly, I do not express an opinion on the effectiveness of the School Board's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

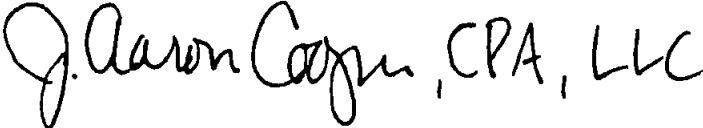
My consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over financial reporting that might be significant deficiencies or material weaknesses. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified. I did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as Findings 2013-1(IC) and 2013-2(IC) that I consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

This report is intended solely for the information and use of the Beauregard Parish School Board, the School Board's management, the Legislative Auditor of the State of Louisiana, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

J. Aaron Coyle, CPA, LLC

DeRidder, Louisiana
December 30, 2013



J. Aaron Cooper , CPA, LLC

P.O. Box 967 • 768 Parish Line Road • DeRidder, Louisiana 70634

(337) 794-2470 • aaron@acoopercpa.com

Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Beauregard Parish School Board
DeRidder, Louisiana

Report on Compliance for Each Major Program

I have audited the compliance of the Beauregard Parish School Board with the types of compliance requirements described in the *U S Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2013. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

My responsibility is to express an opinion on the compliance for each of the School Board's major programs based on my audit of the types of compliance requirement referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major program. However, my audit does not provide a legal determination on the School Board's compliance with those requirements.

Opinion on Each Major Program

In my opinion the Beauregard Parish School Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013

Report on Internal Control Over Compliance

The management of the Beauregard Parish School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered the School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the School Board's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

My consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

This report is intended solely for the information and use of the Beauregard Parish School Board, the School Board's management, the Legislative Auditor of the State of Louisiana, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



DeRidder, Louisiana
December 30, 2013

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grantor's Number</u>	<u>Federal Expenditures</u>
United States Department of Agriculture			
Passed through Louisiana Department of Education			
Child Nutrition Cluster-*			
National School Lunch Program	10 555	N/A	\$ 1,227,857
School Breakfast Program	10 553	N/A	391,907
Passed through Louisiana Department of Agriculture and Forestry			
Food Distribution	10 550	N/A	171,729
Total United States Department of Agriculture			<u>1,791,493</u>
United States Department of Education			
Passed through Louisiana Department of Education			
Title I Grants to Local Educational Agencies	84 010	28-13-T1-06	1,500,113
Special Education Cluster-*			
Individuals with Disabilities Education Act	84 027	28-13-B1-06	1,483,668
Preschool grants	84 173	28-13-P1-06	62,657
Vocational Education - Basic Grants to States	84 048	28-13-02-06	63,237
Improving Teacher Quality State Grants (Title II)	84 367	28-13-50-06	310,396
Total United States Department of Education			<u>3,420,071</u>
United States Department of Defense			
JROTC	12 609	N/A	<u>125,371</u>
 Total Expenditures of Federal Awards			 <u>\$ 5,336,935</u>

* Denotes major Federal program

The accompanying notes are an integral part of this schedule

BEAUREGARD PARISH SCHOOL BOARD

DeRidder, Louisiana

Notes to the Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2013

NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Beauregard Parish School Board, DeRidder, Louisiana. The Beauregard Parish School Board (the "School Board") reporting entity is defined in Note 1 to the School Board's financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

NOTE 2 – BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's financial statements.

NOTE 3 – RELATIONSHIP TO FINANCIAL STATEMENTS

Federal awards revenues are reported in the School Board's financial statements as follows:

Special Revenue	
School Food Service	\$ 1,791,493
Non-major special revenue funds	<u>3,545,442</u>
Total	\$ <u>5,336,935</u>

NOTE 4 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 – MATCHING REVENUES

For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 6 – NONCASH PROGRAMS

The commodities received from the food distribution program, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Section I - Summary of Audit Results

Financial Statements

Type of auditors' report issued	Unqualified
Internal control over financial reporting	
• Material weaknesses identified?	No
• Significant deficiencies identified that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over compliance	
• Material weaknesses identified?	No
• Reportable conditions identified that are not considered to be material weaknesses?	No
Type of auditors' report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133	No
Identification of major programs	
• Child Nutrition Cluster	
• Special Education Cluster	
Dollar threshold used to distinguish between Type A and Type B programs	\$300,000
Auditee qualified as low-risk auditee?	No

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Corrective Action Plan for Current Year Findings
For the Year Ended June 30, 2013

Internal Control:

Finding 2013-1(IC) - Misappropriation of School Activity Funds

Finding During the year it was discovered that \$147,648 was misappropriated at East Beauregard High School

Criteria State law requires that public funds be safeguarded

Effect Failure to properly safeguard public funds, including school activity funds, could result in misappropriation of such funds

Cause Although there are some segregation of duties at the schools, the bookkeepers do have some incompatible duties. In the past, it was not considered feasible to separate these duties due to the cost of hiring additional personnel. School Board policy regarding school activity funds follows the Louisiana Legislative Auditor's recommendations in order to mitigate the lack of segregation of duties.

During the investigation of the misappropriation, it was discovered that the bookkeeper knew the "Administrator" login to the school accounting software. This allowed her to override the system and make unauthorized changes to transactions, allowing her to cover up for the missing funds.

Recommendation The auditor recommends first that the administrator login at all the schools be changed by Central Office personnel and should not be provided to school bookkeepers. Additionally, the School Board should improve segregation of duties as much as possible at the schools.

Management's Response Management concurs with the finding and will implement the recommendation. There have already been discussions regarding performing some of the accounting duties such as bank reconciliations at Central Office. The School Board will determine if additional action is considered necessary.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Corrective Action Plan for Current Year Findings (concluded)
For the Year Ended June 30, 2013

Finding 2013-2(IC) - Incomplete School Accounting Records

Finding The accounting records at East Beauregard High School have not been corrected/updated through June 30, 2013

Criteria All accounting records, including school activity funds, are to be complete and correct in order to properly prepare the financial statements

Effect Failure to properly complete all accounting records could cause the resulting financial statements to be materially misstated

Cause Due to the misappropriation of funds at the school, the accounting records are incorrect. The new bookkeeper does not have the expertise to correct the records and the Finance Department does not know the school accounting software.

Recommendation The auditor recommends first that the school's accounting records be completed and up to date. Additional training for the bookkeepers and someone from the Finance Department is needed. Finally, the Finance Department should perform verification procedures each time there is a change in bookkeeper or principal.

Management's Response Management concurs with the finding and will implement the recommendation.

Compliance - N/A

Federal Awards - N/A

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Schedule of Prior Year Findings
For the Year Ended June 30, 2013

Internal Control – N/A

Compliance:

Finding 2012-1(C)

Description of Finding The School Board did not comply with state budget law Actual total revenues for the Maintenance and Operating Fund and the Sales Tax Fund as well as actual total expenditures for the Maintenance and Operating Fund did not fall within five percent of the budgeted amounts

Recommendation The School Board should review its budget-to-actual information near year-end and amend as necessary to ensure compliance with state budget law

Corrective Action Taken The School Board complied with state budget law for the 2012-2013 fiscal year

Federal Awards – N/A

BEAUREGARD PARISH SCHOOL BOARD

PERFORMANCE MEASURES SCHEDULES

**For the Year Ended June 30, 2013
With Independent Accountant's Report
on Applying Agreed-Upon Procedures**



J. Aaron Cooper , CPA, LLC

P.O. Box 967 • 768 Parish Line Road • DeRidder, Louisiana 70634

(337) 794-2470 • aaron@acoopercpa.com

Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Beauregard Parish School Board
DeRidder, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the Beauregard Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the accompanying performance and statistical data and to determine whether the specified schedules are free of obvious errors and omissions as provided by Louisiana Revised Statute 24:514. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. I selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue,
- Total Local Earnings on Investment in Real Property,
- Total State Revenue in Lieu of Taxes,
- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue

No exceptions were noted during the performance of these procedures.

Education Levels of Public School Staff (Schedule 2)

- 2 I reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st

No exceptions were noted during the performance of these procedures

- 3 I reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule

No exceptions were noted during the performance of these procedures

- 4 I obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule I traced a random sample of 25 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule

No exceptions were noted during the performance of these procedures

Number and Type of Public Schools (Schedule 3)

- 5 I obtained a list of schools by type as reported on the schedule I compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84 010) application and/or the National School Lunch Program (CFDA 10 555) application

No exceptions were noted during the performance of these procedures

Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)

- 6 I obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule

No exceptions were noted during the performance of these procedures

Public Staff Data (Schedule 5)

- 7 I obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule

No exceptions were noted during the performance of these procedures

- 8 I recalculated the average salaries and full-time equivalents reported in the schedule

No exceptions were noted during the performance of these procedures

Class Size Characteristics (Schedule 6)

- 9 I obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5 I then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule

No exceptions were noted during the performance of these procedures

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)

- 10 I obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Beauregard Parish School Board

No exceptions were noted during the performance of these procedures

The Graduation Exit Exam for the 21st Century (Schedule 8)

- 11 I obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Beauregard Parish School Board

The Graduation Exit Exam is no longer required by the state

The Iowa and iLEAP Tests (Schedule 9)

- 12 I obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by Beauregard Parish School Board

No exceptions were noted during the performance of these procedures

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Beauregard Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

J. Aaron Coym, CPA, LLC

December 30, 2013

BEAUREGARD PARISH SCHOOL BOARD**Schedule 1****DeRidder, Louisiana****General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources****For the Year Ended June 30, 2013****General Fund Instructional and Equipment Expenditures****General Fund Instructional Expenditures****Teacher and Student Interaction Activities**

Classroom Teacher Salaries	13,456,878	
Other Instructional Staff Activities	2,087,488	
Employee Benefits	7,273,158	
Purchased Professional and Technical Services	338,477	
Instructional Materials and Supplies	958,182	
Instructional Equipment	5,297	
Total Teacher and Student Interaction Activities		\$ 24,119,480

Other Instructional Activities

176,238

Pupil Support Activities

2,390,354

Less Equipment for Pupil Support Activities

-

Net Pupil Support Activities

2,566,592

Instructional Staff Services

1,776,751

Less Equipment for Instructional Staff Services

-

1,776,751

School Administration

2,991,177

Less Equipment for Instructional Staff Services

-

2,991,177

Total General Fund Instructional Expenditures

\$ 31,454,000

Total General Fund Equipment Expenditures

\$ 5,297

Certain Local Revenue Sources**Local Taxation Revenue**

Constitutional Ad Valorem Taxes	\$ 1,048,028
Renewable Ad Valorem Taxes	6,495,265
Debt Service Ad Valorem Taxes	3,839,004
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	253,279
Sales and Use Taxes	10,864,481
Total Local Taxation Revenue	\$ 22,500,057

Local Earnings on Investment in Real Property

Earnings from 16th Section Property	\$ 13
Earnings from Other Real Property	-
Total Local Earnings on Investments in Real Property	\$ 13

State Revenue in Lieu of Taxes

Revenue Sharing - Constitutional Tax	41,270
Revenue Sharing - Other Taxes	107,139
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	\$ 148,409

Nonpublic Textbook Revenue

\$ -

Nonpublic Transportation Revenue

\$ -

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Education Levels of Public School Staff
As of October 1, 2012

Schedule 2

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0 00%	2	66 67%	0	0 00%	0	0 00%
Bachelor's Degree	313	74 00%	1	33 33%	0	0 00%	0	0 00%
Master's Degree	92	21 75%	0	0 00%	21	77 78%	0	0 00%
Master's Degree + 30	12	2 84%	0	0 00%	5	18 52%	0	0 00%
Specialist in Education	6	1 42%	0	0 00%	1	3 70%	0	0 00%
Ph D or Ed D	0	0 00%	0	0 00%	0	0 00%	0	0 00%
Total	423	100 00%	3	100 00%	27	100 00%	0	0 00%

Note: Percentage columns may not total exactly due to rounding

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Number and Type of Public Schools
For the Year Ended June 30, 2013

Schedule 3

Type	Number
Elementary	6
Middle/Jr High	1
Secondary	3
Combination	3
Total	13

Note: Schools opened or closed during the fiscal year are included in this schedule

BEAUREGARD PARISH SCHOOL BOARD**Schedule 4****DeRidder, Louisiana****Experience of Public Principals and Full-time Classroom Teachers****As of October 1, 2012**

	0-1 Yr	2-3 Yrs	4-10 Yrs	11-14 Yrs	15-19 Yrs	20-24 Yrs	25+ Yrs	Total
Assistant Principals	0	0	3	1	1	3	5	13
Principals	0	0	1	3	2	4	4	14
Classroom Teachers	48	31	108	55	64	60	60	426
Total	48	31	112	59	67	67	69	453

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
Public School Staff Data
For the Year Ended June 30, 2013

Schedule 5

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teacher's Salary Including Extra Compensation	\$ 50,820	\$ 50,184
Average Classroom Teacher's Salary Excluding Extra Compensation	\$ 45,156	\$ 44,562
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	380	369

Note: Figures reported include all sources of funding (ie , federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation because of a federal supplement. Therefore, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes and temporary employees and any teacher on sabbatical leave during any part of the school year.

BEAUREGARD PARISH SCHOOL BOARD**Schedule 6****DeRidder, Louisiana****Class Size Characteristics****As of October 1, 2012**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	21.81%	398.00	61.23%	616.00	9.86%	21.00	0.00%	-
Elementary Activity Classes	3.01%	55.00	5.67%	57.00	2.35%	5.00	19.05%	4.00
Middle/Jr High	6.08%	111.00	5.27%	53.00	25.35%	54.00	9.52%	2.00
Middle/Jr High Activity Classes	0.60%	11.00	0.70%	7.00	3.29%	7.00	42.86%	9.00
High	31.45%	574.00	19.09%	192.00	43.19%	92.00	0.00%	-
High Activity Classes	8.11%	148.00	0.99%	10.00	3.29%	7.00	28.57%	6.00
Combination	23.89%	436.00	5.86%	59.00	10.33%	22.00	0.00%	-
Combination Activity Classes	3.67%	67.00	1.19%	12.00	2.35%	5.00	0.00%	-
Other	1.37%	25.00	0.00%	-	0.00%	-	0.00%	-
Total	100.00%	1,825.00	100.00%	1,006.00	100.00%	213.00	100.00%	21.00

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

Note 2: Percentage columns may not total exactly due to rounding.

DeRidder, Louisiana

Louisiana Educational Assessment Program (LEAP) for the 21st Century

For the Years Ended June 30, 2013, 2012, and 2011

District Achievement Level Results	English Language Arts						Mathematics					
	2013		2012		2011		2013		2012		2011	
	#	%	#	%	#	%	#	%	#	%	#	%
Grade 4												
Advanced	42	9.0%	24	5.5%	22	4.2%	60	12.8%	43	9.9%	31	6.0%
Mastery	114	24.4%	106	24.5%	102	19.7%	117	25.1%	92	21.2%	118	22.8%
Basic	217	46.5%	205	47.3%	266	51.4%	199	42.6%	197	45.5%	250	48.4%
Approaching Basic	72	15.4%	63	14.5%	90	17.4%	56	12.0%	64	14.8%	71	13.7%
Unsatisfactory	22	4.7%	35	8.1%	38	7.3%	35	7.5%	37	8.5%	47	9.1%
Total	467	100.0%	433	100.0%	518	100.0%	467	100.0%	433	100.0%	517	100.0%

District Achievement Level Results	Science						Social Studies					
	2013		2012		2011		2013		2012		2011	
	#	%	#	%	#	%	#	%	#	%	#	%
Grade 4												
Advanced	27	5.8%	37	8.6%	10	1.9%	6	1.3%	8	1.9%	14	2.7%
Mastery	91	19.5%	112	26.0%	94	18.2%	73	15.7%	77	17.9%	69	13.3%
Basic	229	49.1%	181	42.1%	263	50.9%	280	60.1%	242	56.3%	299	57.8%
Approaching Basic	95	20.4%	85	19.8%	121	23.4%	78	16.7%	54	12.6%	83	16.1%
Unsatisfactory	24	5.2%	15	3.5%	29	5.6%	29	6.2%	49	11.4%	52	10.1%
Total	466	100.0%	430	100.0%	517	100.0%	466	100.0%	430	100.0%	517	100.0%

District Achievement Level Results	English Language Arts						Mathematics					
	2013		2012		2011		2013		2012		2011	
	#	%	#	%	#	%	#	%	#	%	#	%
Grade 8												
Advanced	22	5.1%	28	6.3%	19	4.3%	13	3.0%	19	4.2%	20	4.5%
Mastery	70	16.2%	84	18.8%	102	22.8%	26	6.0%	15	3.3%	22	4.9%
Basic	192	44.3%	208	46.4%	184	41.2%	218	50.3%	236	52.7%	225	50.3%
Approaching Basic	112	25.9%	103	23.0%	118	26.4%	98	22.6%	123	27.5%	119	26.6%
Unsatisfactory	37	8.5%	25	5.6%	24	5.4%	78	18.0%	55	12.3%	61	13.6%
Total	433	100.0%	448	100.0%	447	100.0%	433	100.0%	448	100.0%	447	100.0%

District Achievement Level Results	Science						Social Studies					
	2013		2012		2011		2013		2012		2011	
	#	%	#	%	#	%	#	%	#	%	#	%
Grade 8												
Advanced	18	4.2%	15	3.4%	14	3.1%	13	3.0%	7	1.6%	7	1.6%
Mastery	103	23.8%	92	20.6%	89	19.9%	68	15.7%	71	15.9%	53	11.9%
Basic	172	39.8%	179	40.0%	189	42.3%	197	45.6%	239	53.5%	218	48.8%
Approaching Basic	97	22.5%	131	29.3%	112	25.1%	97	22.5%	86	19.2%	118	26.4%
Unsatisfactory	42	9.7%	30	6.7%	43	9.6%	57	13.2%	44	9.8%	51	11.4%
Total	432	100.0%	447	100.0%	447	100.0%	432	100.0%	447	100.0%	447	100.0%

Note: Percentage columns may not total exactly due to rounding.

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
The Graduate Exit Exam for the 21st Century
For the Years Ended June 30, 2013; 2012; and 2011

Schedule 8

District Achievement Level Results	English Language Arts						Mathematics					
	2013**		2012*		2011		2013**		2012*		2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced			0	0 00%	0	0 00%			0	0 00%	40	10 28%
Mastery			0	0 00%	47	12.08%			0	0 00%	78	20 05%
Basic			7	24 14%	206	52 96%			5	26 32%	180	46 27%
Approaching Basic			8	27 59%	87	22 37%			5	26 32%	54	13 88%
Unsatisfactory			14	48 28%	49	12 60%			9	47 37%	37	9 51%
Total			29	100 00%	389	100 00%			19	100 00%	389	100 00%

District Achievement Level Results	Science						Social Studies					
	2013**		2012		2011		2013**		2012		2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced			23	5 97%	20	5 25%			1	0 26%	1	0 26%
Mastery			75	19 48%	86	22 57%			33	8 57%	26	6 82%
Basic			182	47 27%	174	45 67%			214	55 58%	231	60 63%
Approaching Basic			61	15 84%	62	16 27%			83	21 56%	72	18 90%
Unsatisfactory			44	11 43%	39	10 24%			54	14 03%	51	13 39%
Total			385	100 00%	381	100 00%			385	100 00%	381	100 00%

* In 2012, only those students who had not passed the GEE English Language Arts and Mathematics test in 2011 were tested

** In 2013, the GEE was discontinued, therefore there are no scores

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
The iLEAP Tests
For the Years Ended June 30, 2013; 2012, and 2011

Schedule 9

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
	#	%	#	%	#	%	#	%
Grade 3								
Advanced	19	4.5%	60	14.4%	34	8.1%	17	4.1%
Mastery	121	28.9%	85	20.3%	83	19.9%	90	21.5%
Basic	179	42.8%	187	44.7%	215	51.4%	198	47.4%
Approaching Basic	66	15.8%	50	12.0%	66	15.8%	76	18.2%
Unsatisfactory	33	7.9%	36	8.6%	20	4.8%	37	8.9%
Total	418	100.0%	418	100.0%	418	100.0%	418	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
	#	%	#	%	#	%	#	%
Grade 5								
Advanced	18	3.8%	34	7.2%	23	4.9%	28	5.9%
Mastery	97	20.6%	79	16.8%	101	21.4%	85	18.0%
Basic	231	49.0%	229	48.6%	209	44.4%	229	48.6%
Approaching Basic	88	18.7%	71	15.1%	116	24.6%	79	16.8%
Unsatisfactory	37	7.9%	58	12.3%	22	4.7%	50	10.6%
Total	471	100.0%	471	100.0%	471	100.0%	471	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
	#	%	#	%	#	%	#	%
Grade 6								
Advanced	8	1.9%	30	7.2%	19	4.5%	52	12.4%
Mastery	89	21.2%	59	14.1%	85	20.3%	74	17.7%
Basic	202	48.2%	213	50.8%	194	46.3%	175	41.8%
Approaching Basic	87	20.8%	65	15.5%	95	22.7%	69	16.5%
Unsatisfactory	33	7.9%	52	12.4%	26	6.2%	49	11.7%
Total	419	100.0%	419	100.0%	419	100.0%	419	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
	#	%	#	%	#	%	#	%
Grade 7								
Advanced	26	5.7%	20	4.4%	8	1.8%	10	2.2%
Mastery	70	15.5%	33	7.3%	67	14.8%	60	13.2%
Basic	212	46.8%	231	51.0%	197	43.5%	207	45.7%
Approaching Basic	105	23.2%	105	23.2%	134	29.6%	100	22.1%
Unsatisfactory	40	8.8%	64	14.1%	47	10.4%	76	16.8%
Total	453	100.0%	453	100.0%	453	100.0%	453	100.0%

District Achievement Level Results	English Language Arts		Mathematics	
	2011		2011	
	#	%	#	%
Grade 9				
Advanced				
Mastery				
Basic				
Approaching Basic				
Unsatisfactory				
Total				

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
The ILEAP Tests
For the Years Ended June 30, 2013, 2012; and 2011

Schedule 9
(Cont'd)

District Achievement Level Results	English language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
	#	%	#	%	#	%	#	%
Grade 3								
Advanced	20	4.4%	59	13.1%	30	6.7%	2	0.4%
Mastery	98	21.7%	120	26.6%	112	24.8%	95	21.1%
Basic	221	49.0%	199	44.1%	204	45.2%	213	47.2%
Approaching Basic	75	16.6%	49	10.9%	88	19.5%	89	19.7%
Unsatisfactory	37	8.2%	24	5.3%	17	3.8%	52	11.5%
Total	451	100.0%	451	100.0%	451	100.0%	451	100.0%

District Achievement Level Results	English language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
	#	%	#	%	#	%	#	%
Grade 5								
Advanced	18	3.9%	46	9.9%	24	5.2%	25	5.4%
Mastery	82	17.7%	65	14.0%	94	20.3%	83	17.9%
Basic	237	51.1%	248	53.4%	229	49.4%	229	49.4%
Approaching Basic	91	19.6%	73	15.7%	96	20.7%	83	17.9%
Unsatisfactory	36	7.8%	32	6.9%	21	4.5%	44	9.5%
Total	464	100.0%	464	100.0%	464	100.0%	464	100.0%

District Achievement Level Results	English language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
	#	%	#	%	#	%	#	%
Grade 6								
Advanced	20	4.2%	34	7.1%	17	3.6%	60	12.6%
Mastery	88	18.5%	60	12.6%	90	18.9%	65	13.7%
Basic	218	45.8%	236	49.6%	205	43.1%	204	42.9%
Approaching Basic	109	22.9%	76	16.0%	120	25.2%	83	17.4%
Unsatisfactory	41	8.6%	70	14.7%	44	9.2%	64	13.4%
Total	476	100.0%	476	100.0%	476	100.0%	476	100.0%

District Achievement Level Results	English language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
	#	%	#	%	#	%	#	%
Grade 7								
Advanced	23	5.2%	23	5.2%	12	2.7%	14	3.2%
Mastery	76	17.3%	46	10.5%	110	25.1%	72	16.4%
Basic	212	48.3%	246	56.0%	188	42.8%	224	51.0%
Approaching Basic	81	18.5%	75	17.1%	104	23.7%	83	18.9%
Unsatisfactory	47	10.7%	49	11.2%	25	5.7%	46	10.5%
Total	439	100.0%	439	100.0%	439	100.0%	439	100.0%

District Achievement Level Results	English language Arts		Mathematics	
	2012		2012	
	#	%	#	%
Grade 9				
Advanced				
Mastery				
Basic				
Approaching Basic				
Unsatisfactory				
Total				

BEAUREGARD PARISH SCHOOL BOARD
DeRidder, Louisiana
The iLEAP Tests
For the Years Ended June 30, 2013; 2012, and 2011

Schedule 9
(Cont'd)

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
	#	%	#	%	#	%	#	%
Grade 3								
Advanced	33	7.9%	41	9.8%	43	10.3%	10	2.4%
Mastery	104	24.8%	94	22.4%	115	27.5%	74	17.7%
Basic	212	50.6%	192	45.8%	186	44.5%	227	54.3%
Approaching Basic	43	10.3%	60	14.3%	59	14.1%	74	17.7%
Unsatisfactory	27	6.4%	32	7.6%	15	3.6%	33	7.9%
Total	419	100.0%	419	100.0%	418	100.0%	418	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
	#	%	#	%	#	%	#	%
Grade 5								
Advanced	25	6.4%	45	11.5%	18	4.6%	29	7.4%
Mastery	96	24.6%	65	16.6%	97	24.8%	77	19.7%
Basic	189	48.3%	184	47.1%	179	45.8%	207	52.9%
Approaching Basic	58	14.8%	59	15.1%	84	21.5%	45	11.5%
Unsatisfactory	23	5.9%	38	9.7%	13	3.3%	33	8.4%
Total	391	100.0%	391	100.0%	391	100.0%	391	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
	#	%	#	%	#	%	#	%
Grade 6								
Advanced	19	4.1%	36	7.7%	20	4.3%	62	13.3%
Mastery	78	16.8%	65	14.0%	97	20.9%	60	12.9%
Basic	241	51.8%	246	52.9%	211	45.4%	201	43.2%
Approaching Basic	91	19.6%	69	14.8%	102	21.9%	91	19.6%
Unsatisfactory	36	7.7%	49	10.5%	35	7.5%	51	11.0%
Total	465	100.0%	465	100.0%	465	100.0%	465	100.0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
	#	%	#	%	#	%	#	%
Grade 7								
Advanced	30	6.1%	17	3.5%	14	2.9%	10	2.0%
Mastery	95	19.3%	58	11.8%	94	19.1%	98	20.0%
Basic	218	44.4%	256	52.1%	209	42.6%	228	46.4%
Approaching Basic	108	22.0%	83	16.9%	126	25.7%	89	18.1%
Unsatisfactory	40	8.1%	77	15.7%	48	9.8%	66	13.4%
Total	491	100.0%	491	100.0%	491	100.0%	491	100.0%

District Achievement Level Results	English Language Arts		Mathematics	
	2013		2013	
	#	%	#	%
Grade 9				
Advanced				
Mastery				
Basic				
Approaching Basic				
Unsatisfactory				
Total				



J. Aaron Cooper , CPA, LLC

P.O. Box 967 • 768 Parish Line Road • DeRidder, Louisiana 70634

(337) 794-2470 • aaron@acoopercpa.com

Member of the American Institute of Certified Public Accountants and the Society of Louisiana Certified Public Accountants

To the Members of the Beauregard Parish School Board

I have performed the procedures enumerated below, which were agreed to by the Beauregard Parish School Board, solely to assist the users in evaluating management's assertions about the annual financial report of the Beauregard Parish School Board School Activity Funds for the year ended June 30, 2013. The Beauregard Parish School Board is responsible for the School Activity Funds' accounting records. The agreed-upon procedures were performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which engagement has been requested or for any other purpose.

Our procedures and findings are as follows:

1. I tested the accuracy of the cash balances included in the annual financial reports for each school by 1) obtaining the school's bank reconciliation, 2) confirming the balance per bank, and 3) reviewing the subsequent bank statement to determine the validity of reconciling items.

During my testing, it was noted at East Beauregard High School, the bank reconciliations for June 30, 2013 had not been prepared. Additionally, it was apparent that the checking account balance in the school accounting system was overstated. It appeared to be over by the amount of funds that were misappropriated during the year.

2. I selected a sample of 25 receipts and 25 disbursements for each school and review supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper accounts/funds in the schools' accounting system.

I was unable to test the sample of receipts for East Beauregard High School as the school was unable to locate any of the receipts for the year. As for the other schools, no significant exceptions noted.

3. I tested to ensure that the proper balances were carried over from the previous year for each school.

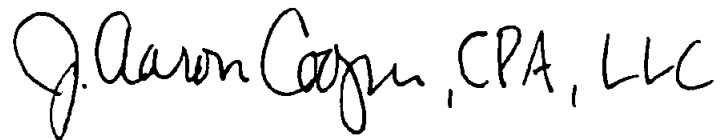
No exceptions were noted.

4. I compared the ending balances per the schools' accounting system to the annual financial report.

No exceptions were noted.

I was not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Beauregard Parish School Board and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than those specified parties.

Handwritten signature of J. Aaron Cooper, CPA, LLC in black ink.

DeRidder, Louisiana
December 30, 2013